



## Managing Your Financial Life

People don't plan to fail...they fail to plan. Taking control of your finances and your financial future can help you reach your desired destinations in life. You want to control your finances, not let them control you. You can do this by creating a strong financial foundation upon which you then build in order to achieve your long-term goals.

The first step in managing your financial life is to establish your **Financial Foundation** by:

- Developing and sticking to a budget.
- Reducing or eliminating student loans and/or consumer debt.
- Establishing an emergency fund equal to three to six months of expenses.
- Beginning a regular savings program.
- Purchasing appropriate insurance coverage to protect your dependents, income and assets from financial loss.
- Executing a will.

The **Lifestyle Choices** you make can have a significant impact on your financial well-being. For example:

- Buy a home that is within your income comfort level.
- If mortgage interest rates fall, evaluate if it is to your benefit to refinance your mortgage.
- As you enter your fifties, consider paying off your home mortgage.
- Do not purchase a new car that you cannot easily afford.
- Remember that credit card debt can be the number one obstacle to getting ahead financially, so either avoid using credit cards or pay off credit card debt each month.

In order to control your finances, you need to **Grow Your Money** by:

- Determining your short-, intermediate- and long-term financial goals and developing a financial plan to meet those goals.
- Developing an understanding of basic financial concepts and financial products.
- Determining if and how you want to finance your children's college education.
- Analyzing your future retirement income needs and maximizing the contributions you make to tax-advantaged retirement plans.
- Periodically reviewing the performance of your financial plan and making appropriate adjustments.

**For more information on these and other topics, as well as tools that can help you take control of your financial life, contact my office for a free copy of the Managing Your Financial Life Life Guide.**

The purpose of this newsletter is to provide information of general interest to our clients, potential clients and other professionals. The information provided is general in nature and should not be considered complete information on any product or concept described. For more complete information, please contact me (Office: (913) 227-4224).